(July 1992)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*

FORM APPROVED

OMB NO. 1040-0136 Expires: February 28, 1995

6.	IF INDIAN, ALLOTTEE OR TRIBE NAME
	UTU-77301
5.	LEASE DESIGNATION AND SERIAL NO.

APPLICATION FOR PERIVI	I TO DRILL OF	R DEEPEN	N/	<u>A</u>	
TYPE OF WORK			7. UNIT AGREEMENT NAM	ME	
DRILL 🗹	DEEPEN 🗆		BIG VALLEY UNIT		
TYPE OF WELL			8. FARM OR LEASE NAME	E, WELL NO.	
	✓ MULTIPLE				
OIL WELL GAS WELL OTHER ZONE	ZONE		NBZ 16D)-29-8-2 4	
2. NAME OF OPERATOR	Contact: Jan Nels	son	9.API NUMBER:		
QUESTAR EXPLORATION & PRODUCTION CO.	E-Mail: j	an.nelson@questar.com		7-40363	
3. ADDRESS	Telphone number	•	10. FIELD AND POOL, OR	WILDCAT BOVAlle	
11002 E. 17500 S. Vernal, Utah 84078	Phone 435-	-781-4331 Fax 435-781-4395	3000000		
4. LOCATION OF WELL (Report location clearly and in a	accordance with an	d State requirements*)	11. SEC.,T, R, M, OR BLK	& SURVEY OR AREA	
At Surface 650841 X 615' FSL 780' FEL,					
At proposed production zone 4438818 \ 40.	088030 -11	09. 230 695	SEC. 29, T8S,	R24E SLB&M	
14. DISTANCE IN MILES FROM NEAREST TOWN OR PO	STOFFICE*		12. COUNTY OR PARISH	13. STATE	
35 + / - SOUTH OF VERNAL, UTAH			Uintah	UT	
15. DISTANCE FROM PROPOSED LOCATION TO NEAR	EST	16.NO.OF ACRES IN LEASE	17. NO. OF ACRES ASSIG	NED TO THIS WELL	
PROPERTY OR LEASE LINE, FT.					
(also to nearest drig,unit line if any)		1505.46	40		
615' + / -					
18.DISTANCE FROM PROPOSED location to nearest we	ell, drilling,	19. PROPOSED DEPTH	20. BLM/BIA Bond No. on file		
completed, applied for, on this lease, ft	13,137'		ESB000024		
3900' +/-	<u></u>				
21. ELEVATIONS (Show whether DF, RT, GR, ect.)		22. DATE WORK WILL START	23. Estimated duration		
5136.8' GR		ASAP	35 days		
24. Attachments					
The following,completed in accordance with the require	ments of Onshers C	Nil and Gas Order No. 1 shall be a	ttacked to this form:		
Well plat certified by a registered surveyor.	nents of Offshole C	4. Bond to cover the operations unless		n filo (coo	
Well plat certified by a registered surveyor. 2. A Drilling Plan		Item 20 above).	s covered by an existing bond of	ii iiie (see	
3. A surface Use Plan (if location is on National Forest System L	ands,	5. Operator certification.			
the SUPO shall be filed with the appropriate Forest Service Of		•	and/or plane as may be required	d by the	
2007	•	6. Such other site specific information and/or plans as may be required by the			
		authorized officer.			
SIGNED LAND CHUSH	Name (printed/typ	ed) Jan Nelson	DATE 0	9/10/2008	
1	· · · · · · · · · · · · · · · · · · ·				
TITLE // Regulatory Affairs					
(This space for mederal or State office use)					

al or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

APPROVED BY

BRADLEY G. HILL ENVIRONMENTAL MANAGER

Title 18 U.S.C Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the

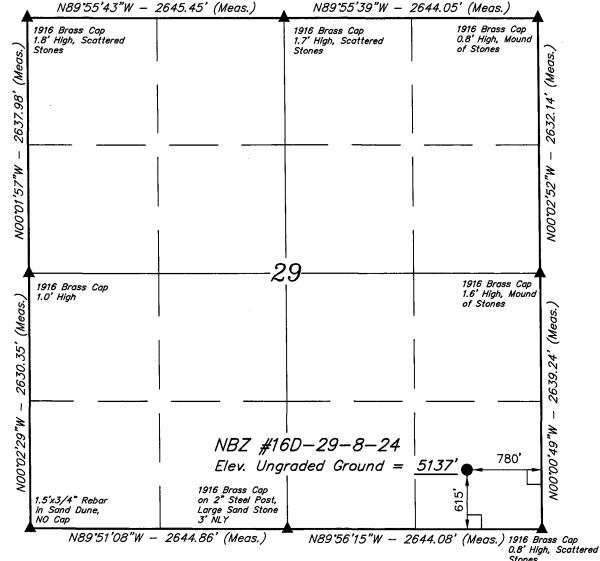
United States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction

Federal Approval of this Action is Necessary

RECEIVED SEP 1 5 2008

CONFIDENTIAL

T8S, R24E, S.L.B.&M.



LEGEND:

__ = 90° SYMBOL

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 83)

LATITUDE = 40°05'16.96" (40.088044)

LONGITUDE = 109°13'52.70" (109.231306)

(AUTONOMOUS NAD 27)

LATITUDE = 40°05'17.08" (40.088078)

LONGITUDE = 109°13'50.27" (109.230631)

QUESTAR EXPLR. & PROD.

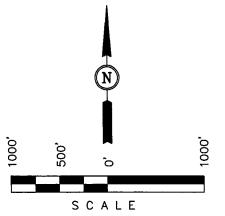
Well location, NBZ #16D-29-8-24, located as shown in the SE 1/4 SE 1/4 of Section 29, T8S, R24E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 45EAM LOCATED IN THE NW 1/4 SW 1/4 OF SECTION 6, T9S, R24E, S.L.B.&M. TAKEN FROM THE BONANZA, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5350 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



REGISTERED LAND SHAVE

REVISED: 07-17-07

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017

SCALE DATE SURVEYED: DATE DRAWN: 1" = 1000'06-26-07 06-29-07 PARTY REFERENCES D.A. T.A. L.K. G.L.O. PLAT WEATHER FILE HOT QUESTAR EXPLR. & PROD.

Additional Operator Remarks

Questar Exploration & Production Company proposes to drill a well to 13,137' to test the Dakota. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements"

Please see Questar Exploration & Prodcution Company Standard Operating Practices dated October 18, 2005, for Mesa Verde Formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields on Townships 07, 08 and 09 South, Ranges 21 to 25 East.

Please see Onshore Order No. 1.

Please be advised that Questar Exploration & Production Company agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No.ESB000024. The principal is Questar Exploration & Production company via surety as consent as provided for the 43 CFR 3104.2.

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1 Approval of Operations on Onshore Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>
Uinta	Surface
Green River	1,447'
Wasatch	4,112'
Mesaverde	5,677'
Sego	7,717'
Castlegate	7,917
Mancos Shale	8,557'
Dakota	12,587'
TD	13,137'

2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	Formation	<u>Depth</u>
Gas	Wasatch	4,112'
Gas	Mesaverde	5,677
Gas	Mancos Shale	8,557
Gas	Dakota	12,587

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right # A36125 (which was filed on May 7, 1964,) or

DRILLING PROGRAM

Red Wash water right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes. All water resulting from drilling operations will be disposed of at Red Wash Central Battery Disposal Site; SWSE, Section 27, T7S, R23E or Wonsits Valley Disposal Site; SWNW, Section 12, T8S, R21E.

3. Operator's Specification for Pressure Control Equipment:

- A. A 10,000 psi double gate, 10,000 psi single gate, 10,000 psi annular BOP (schematic included) from surface casing point to total depth.
- B. Functional test daily.
- C. All casing strings shall be pressure tested (0.2 psi/foot or 1500 psi, whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. Ram type preventers and associated equipment shall be tested to the approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 10M system and individual components shall be operable as designed.

4. Casing Design:

Hole Size	Csg. Size	Top (MD)	Bottom (MD)	Mud Weight	Wt. lb/ft	Grade	Thread	Cond.
26"	20"	surf	60-80'	N/A	Steel	Cond.	None	Used
12-1/4"	9-5/8"	surf	2,200'	N/A	36.0	J-55	STC	New
8-1/2"	7"	Surface	8,600'	11.5	26.0	HCP-110	LTC	New
6-1/8"	4-1/2"	surf	13,137'	13.5	15.1	P-110	LTC	New

Casing	Strengths:			Collapse	Burst	Tensile (minimum)
9-5/8"	36 lb.	J-55	STC	2,020 psi	3,520 psi	394,000 lb.
7"	26 lb.	HCP-110	LTC	7,800 psi	9,950 psi	693,000 lb.
4-1/2"	15.1 lb.	P-110	LTC	14,350 psi	14,420 psi	406,000 lb.

DRILLING PROGRAM

MINIMUM DESIGN FACTORS:

COLLAPSE: 1.125 BURST: 1.10 TENSION: 1.80

Area Fracture Gradient:

Maximum anticipated mud weight:

Maximum surface treating pressure:

Over pull margin (minimum):

Pressure while bumping plug:

0.9 psi/foot
13.5 ppg
8,500 psi
100,000 lbs

5. Cementing Program

20" Conductor:

Cement to surface with construction cement.

9-5/8" Surface Casing: surf – 2,200' (MD)

Lead/Tail Slurry: 0' – 2,200'. 765 sks (1375 cu ft) Vericem cement + 0.25 lb/sk Kwik Seal (lost circulation additive) + 0.125 lb/sk Poly-E-Flake (lost circulation additive). Slurry wt: 13.5 ppg, Slurry yield: 1.80 ft³/sk, Slurry volume: 12-1/4" hole + 100% excess.

7" Intermediate Casing: surf - 8,600' (MD)

Lead Slurry: 0'-4,000'. 185 sks (710 cu ft) Halliburton Hi-Fill cement. Slurry wt: 11.0 ppg, Slurry yield: 3.84 ft³/sk, Slurry volume: 12-1/4" hole + 25% excess in open hole. **Tail Slurry:** 4,000' - 8,600'. 700 sks (870 cu ft) 50/50 Poz Premium cement + 0.6% Halad-322 (low fluid loss control) + 2.0% Microbond (expander) + 5.0% salt (accelerator) + 0.125 lb/sk Poly-E-Flake (lost circulation additive). Slurry wt: 14.35 ppg, Slurry yield: 1.24 ft³/sk, Slurry volume: 12-1/4" hole + 25% excess.

4-1/2" Production Casing: surf - 13,137' (MD)

Lead/Tail Slurry: 4,000' - 13,137'. 630 sks (975 cu ft) 50/50 Poz Premium cement + 20% SSA-1 (additive material) + 3 lb/sk silicalite compacted (additive material) + 0.5% Halad-344 (low fluid loss control) + 0.2% Halad-413 (low fluid loss control) + 0.2% HR-12 (retarder) + 0.2% Super CBL (expander) + 0.2% Suspend HT (suspension agent). Slurry wt: 14 ppg, Slurry yield: 1.55 ft³/sk, Slurry volume: 6-1/8" hole + 15% in open hole section.

*Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface on the intermediate strings and 4,000' on the production string. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

DRILLING PROGRAM

6. Auxiliary Equipment

- A. Kelly Cock yes
- B. Float at the bit yes
- C. Monitoring equipment on the mud system visually and/or PVT/Flow Show
- D. Full opening safety valve on the rig floor yes
- E. Rotating Head yes
- F. Request for Variance

Drilling surface hole with air:

A variance from 43 CFR 3160 Onshore Oil and Gas Order #2, Section III Requirements, subsection E. Special Drilling Operations is requested for the specific operation of drilling and setting surface casing on the subject well with a truck mounted air rig. The variance from the following requirements of Order #2 is requested because surface casing depth for this well is 2,200 feet and high pressures are not expected.

- 1. **Properly lubricated and maintained rotating head** A diverter system in place of a rotating head. The diverter system forces the air and cutting returns to the reserve pit and is used to drill the surface casing.
- 2. Blooie line discharge 100 feet from wellbore and securely anchored the blooie line discharge for this operation will be located 50 to 70 feet from the wellhead. This reduced length is necessary due to the smaller location size to minimize surface disturbance.
- 3. Automatic igniter or continuous pilot light on blooie line a diffuser will be used rather than an automatic pilot/igniter. Water is injected into the compressed air and eliminates the need for a pilot light and the need for dust suppression equipment.
- 4. Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the wellbore compressors located within 50 feet on the opposite side of the wellbore from the blooie line and is equipped with a 1) emergency kill switch on the driller's console, 2) pressure relief valves on the compressors, 3) spark arrestors on the motors.
- 5. **Kill Fluid to control well** In lieu of having mud products on location to kill the well for an unanticipated kick, Questar will kill the well with water contained in a 400 bbl tank on site. The 400 bbl water tank will also be storage for surface casing cement water.

DRILLING PROGRAM

- 6. **Deflector on the end of the blooie line** Questar will mount a deflector unit at the end of the blooie line for the purpose of changing the direction and velocity of the air and cuttings flow into the reserve pit. Changing the velocity and direction of the cuttings and air will preserve the pit liner. In the event the deflector washes out due to erosion caused by the sand blasting effect of the cuttings, there will be no problem because the deflector is mounted on the very end of the blooie. A washed out deflector will be easily replaced.
- 7. **Flare Pit** there will be no need of a flare pit during the surface hole air drilling operation because the blooie line is routed directly to the reserve pit. When the big rig arrives for the main drilling after setting surface casing, a flare box will be installed and all flare lines will be routed to the flare box.
- G. All other operations and equipment for air/gas drilling shall meet specifications in Onshore Order #2, Section III Requirements, subsection E. Special Drilling Operations and Onshore Order #1.

Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Intermediate and production holes will be drilled with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. Maximum anticipated mud weight is 13.5 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

7. Testing, logging and coring program

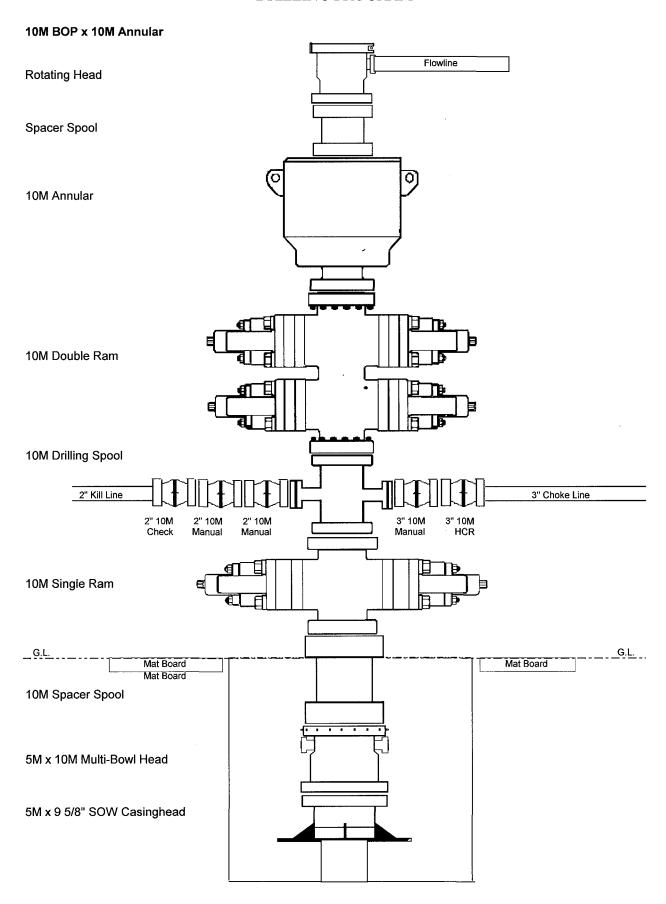
- A. Cores none anticipated
- B. DST none anticipated
- C. Logging Mud logging 3,000' to TD GR-SP-Induction, Neutron Density, FMI
- D. Formation and Completion Interval: Dakota, Mancos, Mesaverde, Wasatch intervals, final determination of completion will be made by analysis of logs.
 Stimulation Stimulation will be designed for the particular area of interest as encountered.

DRILLING PROGRAM

8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

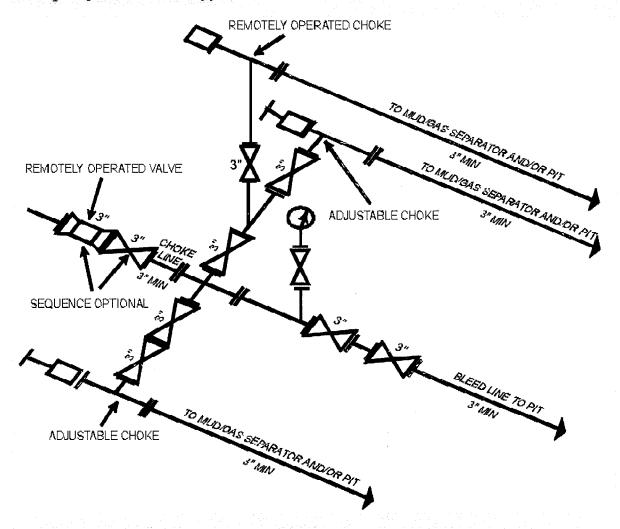
No abnormal temperatures or pressures are anticipated. No H2S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 9,220 psi. Maximum anticipated bottom hole temperature is 250° F.

DRILLING PROGRAM



DRILLING PROGRAM

Attachment I Diagrams of Choke Manifold Equipment



I-4 10M and 15M Choke Manifold Equipment -- Configuration of chokes may vary

[54 FR 39528, Sept. 27, 1989]

Last Updated March 25, 1997 by John Broderick

QUESTAR EXPLORATION & PRODUCTION, CO. Request for Exception to Buried Pipeline

For NBZ 16D-29-8-24

QEP respectfully requests an exception to burying this pipeline. We understand the standard Condition of Approval (COA) that may be included in the approved Application for Permit to Drill (APD) is: "As a Best Management Practice (BMP), the pipeline would be buried within the identified construction width of an access corridor that contains the access road and pipelines. The construction width for the access corridor would increase from 30 feet, by an additional 20 feet, to a total of 50 feet. Exceptions to this BMP may be granted where laterally extensive, hard indurated bedrock, such as sandstone, is at or within 2 feet of the surface; and, soil types with a poor history of successful rehabilitation." QEP will install the pipeline within the access corridor and will avoid cross-country installation when possible. Our reason for requesting a surface line is based on the following justification:

Class IV VRM

- This area's designated Visual Resource Management is classified as Class IV. The Class IV objective is to provide for management activities that require major modification to the existing character of the landscape. The level of change to the landscape can be high. The management activities may dominate the view and may be the major focus of the viewer attention. However, every attempt should be made to minimize the impact of these activities through careful location, minimal disturbance, and repetition of the basic visual elements of form, line, color, and texture.
- QEP feels that surface pipe will comply with this classification more so than buried pipe due to the amount of surface disturbance that will be required to bury it. We believe surface installation within the access corridor will minimize the disturbance so that the pipeline does not dominate the view.

Environmental and Safety Concerns

- Buried pipe will greatly increase surface disturbance and habitat fragmentation.
 The soil in this area has a poor history of successful rehabilitation. Buried pipe
 will have an increased corrosion rate and would need to be dug up for repairs or
 replacement; the constant surface disturbance will not allow time for successful
 reclamation.
- Increasing surface disturbance will greatly increase noxious and invasive weed infestation.

- With the increased corrosion rate, buried pipe may have undetectable leaks that could go unnoticed for months. Small leaks may turn into large plumes of underground hazards because they are not easily monitored and not seen right away. An undetected leak also increases the potential for explosive incidents. Once detected, the surface will need to be disturbed, once again, to dig up the line and replace or repair it.
- Accidents associated with pipe breaks during construction activities could increase substantially as the number of buried lines increases.
- The additional surface disturbance will increase the risk of disturbing paleontological sites.

Operational and Mechanical Concerns for Gas Lines

- Cathodic protection will be required for buried pipe. Cathodic protection requires anode beds that must be maintained. This will add substantial costs in labor and material. Additional power lines will need to be installed to the anode beds. The additional costs for equipment and labor will be approximately \$50,000.00 per section.
- Pipeline markers need to be used with buried pipe. This will add costs in labor and material.
- Every tie in requires a valve. The average distance between valves is approximately ½ mile. Valves will have to be placed in "freeze boxes" or "valve boxes". Valve boxes will be considered confined space which increases the manpower needed to repair or replace valves. Every valve box will also require bright yellow guard rails.
- Additional equipment required for buried pipe can include blades/dozers, trenchers (cutting or blasting in hard rock), side booms, etc. which increases installation costs.
- Buried pipe must have fusion bonded epoxy (FBE) coating. FBE pipe will cost an additional \$2.00 per foot compared to bare pipe.
- This pipeline has the potential for being upgraded/upsized to a larger pipe diameter depending on production volumes. If upsizing is required, the pipe will need to be dug up which will cause additional surface disturbance and will not allow adequate time for successful reclamation.
- Surface lines are sometimes relocated to accommodate new locations; this is done in an effort to minimize the amount of pipe needed and the amount of surface disturbed. If this pipe is buried, this will no longer be an option.

QUESTAR EXPLORATION & PRODUCTION CO. NBZ 16D-29-8-24 615' FSL 780' FEL SESE, SECTION 29, T8S, R24E UINTAH COUNTY, UTAH LEASE # UTU-77301

ONSHORE ORDER NO. 1

MULTI - POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the NBZ 16D-29-8-24 on November 6, 2007. Weather conditions were Cool & Sunny at the time of the onsite. In attendance at the inspection were the following individuals:

Paul Buhler Bureau of Land Management
Dixie Sadiler Bureau of Land Management

Don Allred Uintah Engineering & Land Surveying
Raymond Pallesen Questar Exploration & Production, Co.

Jan Nelson Questar Exploration & Production, Co.

1. Existing Roads:

The proposed well site is approximately 35 miles south of Vernal, Utah.

Refer to Topo Maps A and B for location of access roads within a 2 – mile radius.

There will be no improvements made to existing road.

2. Planned Access Roads:

Please see Questar Exploration & Production company Standard Operating Practices dated October 18, 2005, for Mesa Verde formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 & 09 South, Ranges 21 to 25 East.

Refer to Topo Map B for the location of the proposed access road.

3. Location of Existing Wells Within a 1 – Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Please see Questar Exploration & Production company Standard Operating Practices dated October 18, 2005, for Mesa Verde formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 & 09 South, Ranges 21 to 25 East.

Refer to Topo Map D for the location of the proposed pipeline.

Pipeline will be 6" or smaller.

5. <u>Location and Type of Water Supply:</u>

Please see Questar Exploration & Production company Standard Operating Practices dated October 18, 2005, for Mesa Verde formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 & 09 South, Ranges 21 to 25 East.

6. Source of Construction Materials:

Please see Questar Exploration & Production company Standard Operating Practices dated October 18, 2005, for Mesa Verde formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 & 09 South, Ranges 21 to 25 East.

7. <u>Methods of Handling Waste Materials:</u>

Please see Questar Exploration & Production company Standard Operating Practices dated October 18, 2005, for Mesa Verde formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 & 09 South, Ranges 21 to 25 East.

An enhanced evaporation system will be used for evaporating fluids from reserve pit after drilling and completion are completed for this well. The system will be monitored regularly to ensure that operation is being done in a safe and environmentally protective manner. The system will be controlled during daylight hours by our lease operators and the pump will only be operated when wind direction and velocity are favorable to eliminate over - spray on vegetation. The evaporation system is structured on a fifth wheel portable trailer that runs on diesel fuel only.

8. Ancillary Facilities:

Please see Questar Exploration & Production company Standard Operating Practices dated October 18, 2005, for Mesa Verde formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 & 09 South, Ranges 21 to 25 East.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

A pit liner is required. A felt pit liner will be required if bedrock is encountered.

10. Plans for Reclamation of the Surface:

Please see Questar Exploration & Production company Standard Operating Practices dated October 18, 2005, for Mesa Verde formation Wells located in Red Wash, Wonsits Valley, Gypsum Hills, White River, Glen Bench, and Undesignated fields in Townships 07, 08 & 09 South, Ranges 21 to 25 East.

Interim Reclamation

Please see attached Interim Reclamation plan.

Once the well is put onto production, Questar Exploration & Production Company will reclaim as much of the well pad as possible that will allow for operations to continue in a safe and reasonable manner. Reseeding will be done in the spring and fall of each year to allow winter precipitation to aid in the success of reclaimation.

Seed Mix:

Interim Reclamation:
6 lbs. Hycrest Crested Wheat
6 lbs. Needle & Treadgrass

Final Reclamation:

Seed Mix # 6 3 lbs. Wyoming Big Sage Brush, 3 lbs. Shadscale, 3 lbs. Indian Rice Grass

4 lbs. Hycrest Crested Wheat

11. Surface Ownership:

The well pad and access road are located on lands owned by:

Bureau of Land Management 170 South 500 East Vernal, Utah 84078

12. Other Information

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

A Class III paleontological survey was conducted by Intermountain Paleo Consulting. A copy of this report was submitted directly to the appropriate agencies by Stephen D. Sandau. The inspection resulted in the location of no fossil resources. However, if vertebrate fossil(s) are found during construction a paleoontologist should be immediately notified. Questar Exploration & Production Company will provide paleo monitor if needed.

No Drilling or construction will take place during the Pronghorn season May 15 thru June 20.

Keep Pit Spoils out of Drainage.

Round Corners

Lessee's or Operator's Representative:

Jan Nelson Red Wash Rep. Questar Expl. & Prod. Co. 11002 E. 17500 So. Vernal, Utah 84078 (435) 781-4331

Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

Questar Exploration & Production Company will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by Questar Exploration & Production Company, it's contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Lancellon	9/10/2008	
Jan Nelson Red Wash Representative	Date	

QUESTAR EXPLR. & PROD.

NBZ #16D-29-8-24

LOCATED IN UINTAH COUNTY, UTAH SECTION 29, T8S, R24E, S.L.B.&M.

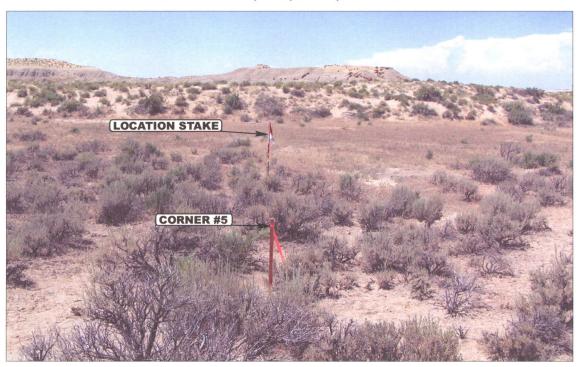


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

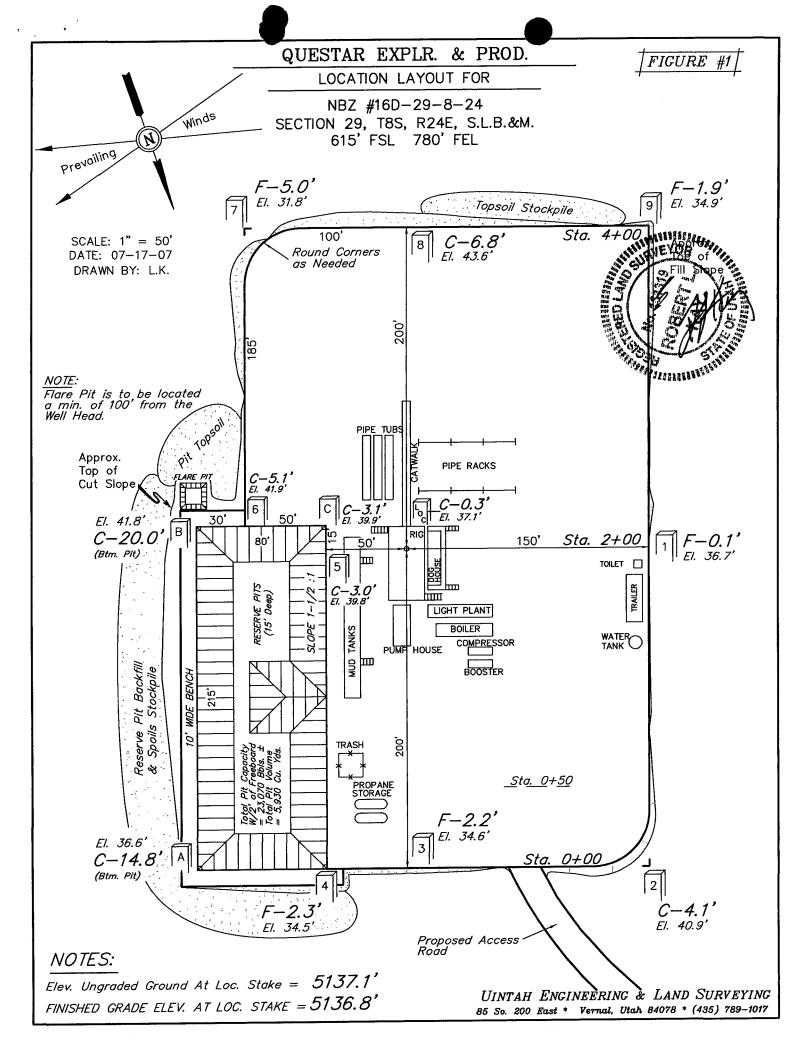


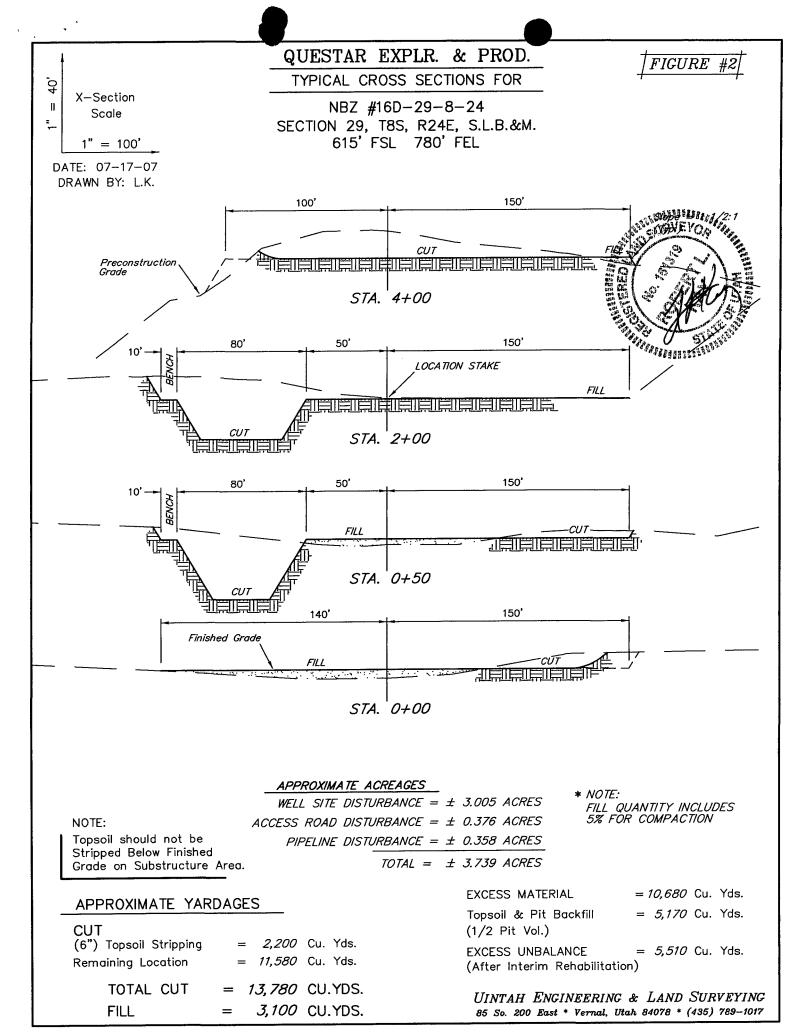
PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

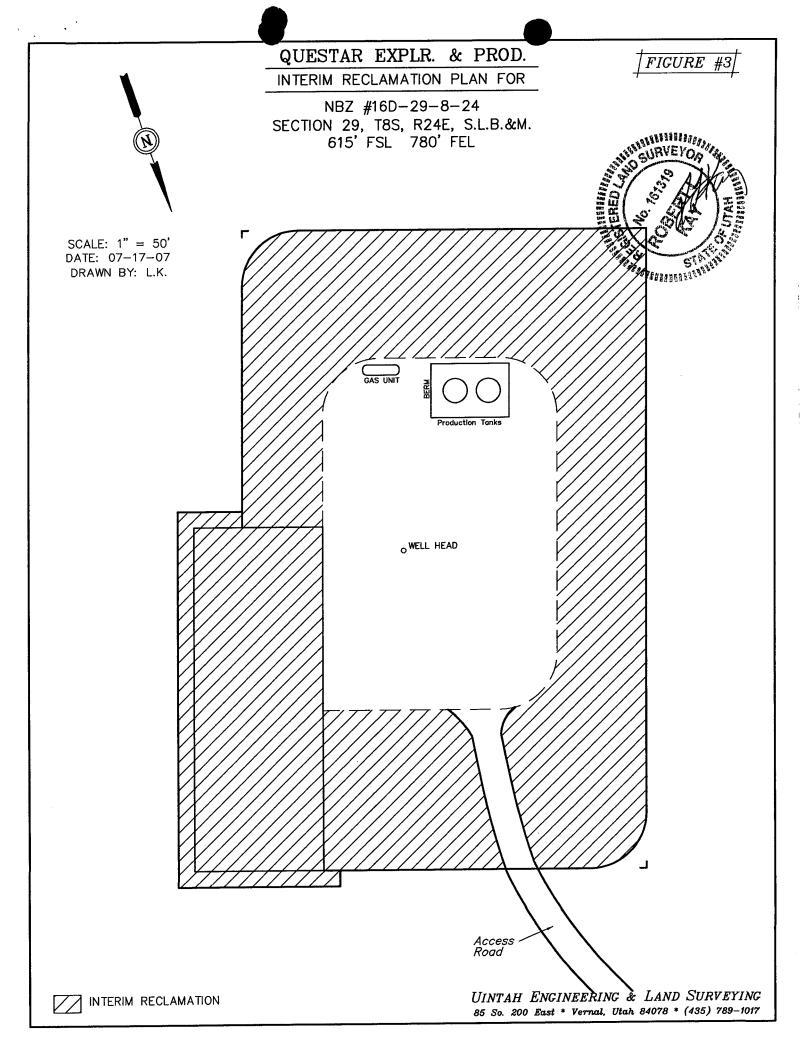
CAMERA ANGLE: SOUTHEASTERLY

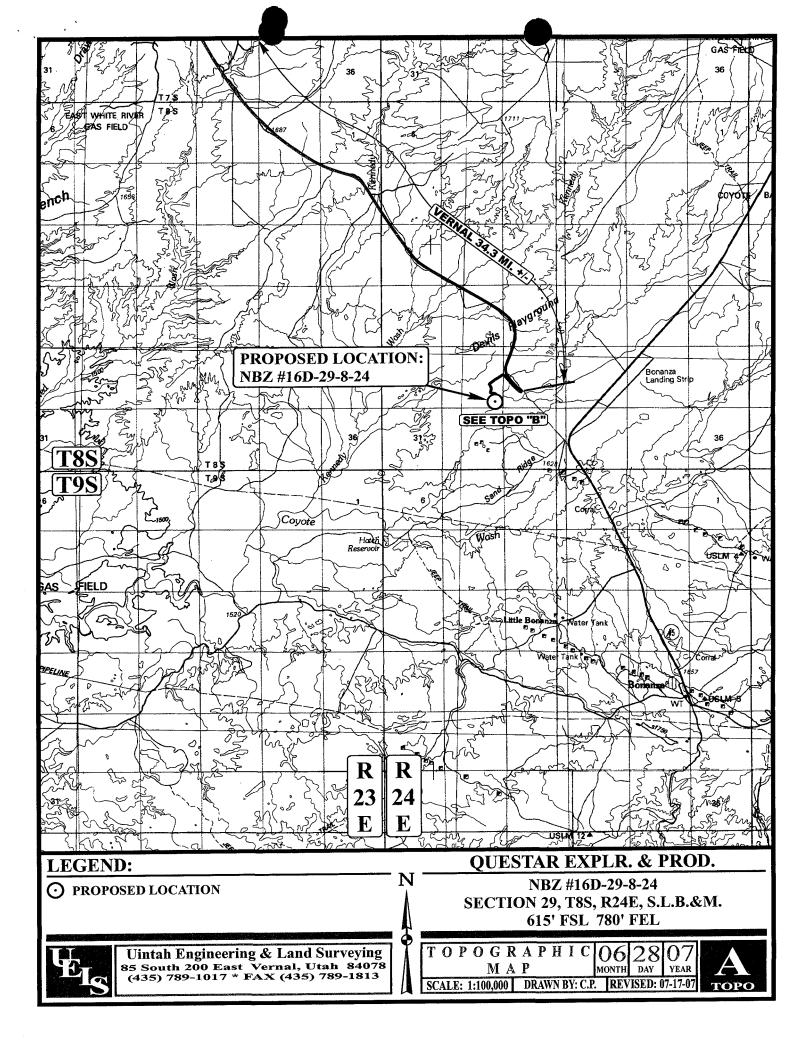


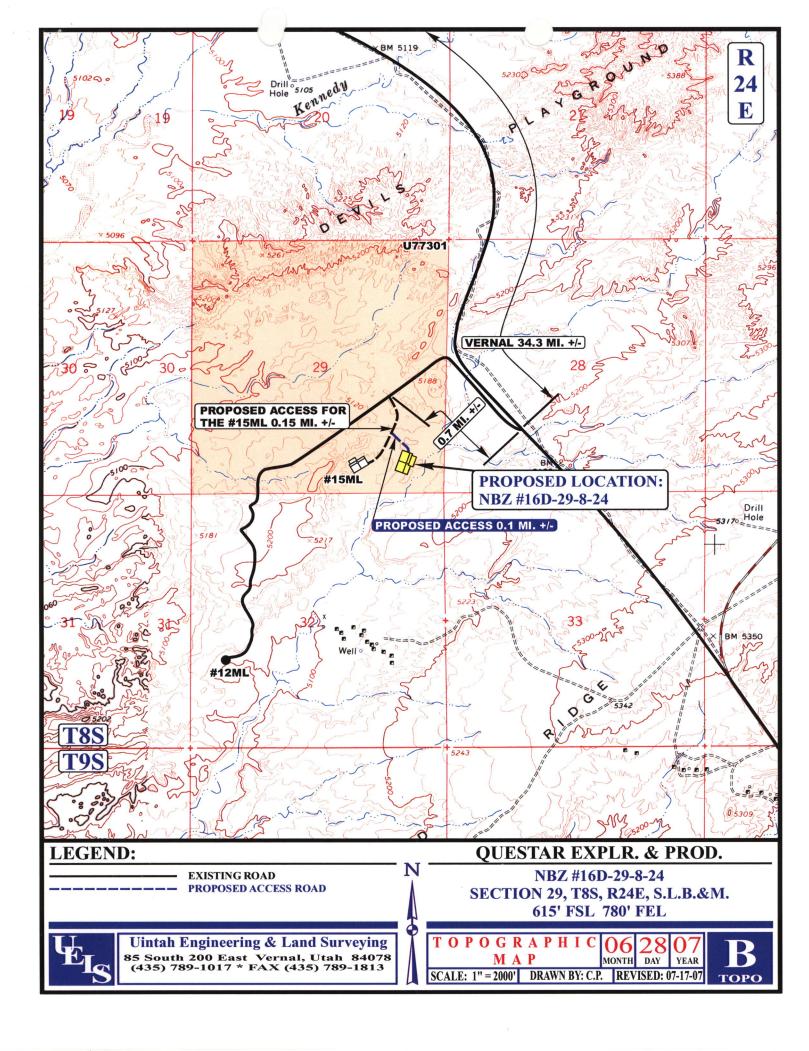
THE RESERVE OF THE PERSON OF T		PAGE TAR				
LOCATION	PHOTOS	O MO	6 NTH	28 DAY	07 YEAR	РНОТО
TAKEN BV. D A	DDAWN RV. C P		DEV	ICED. (7 17 07	l

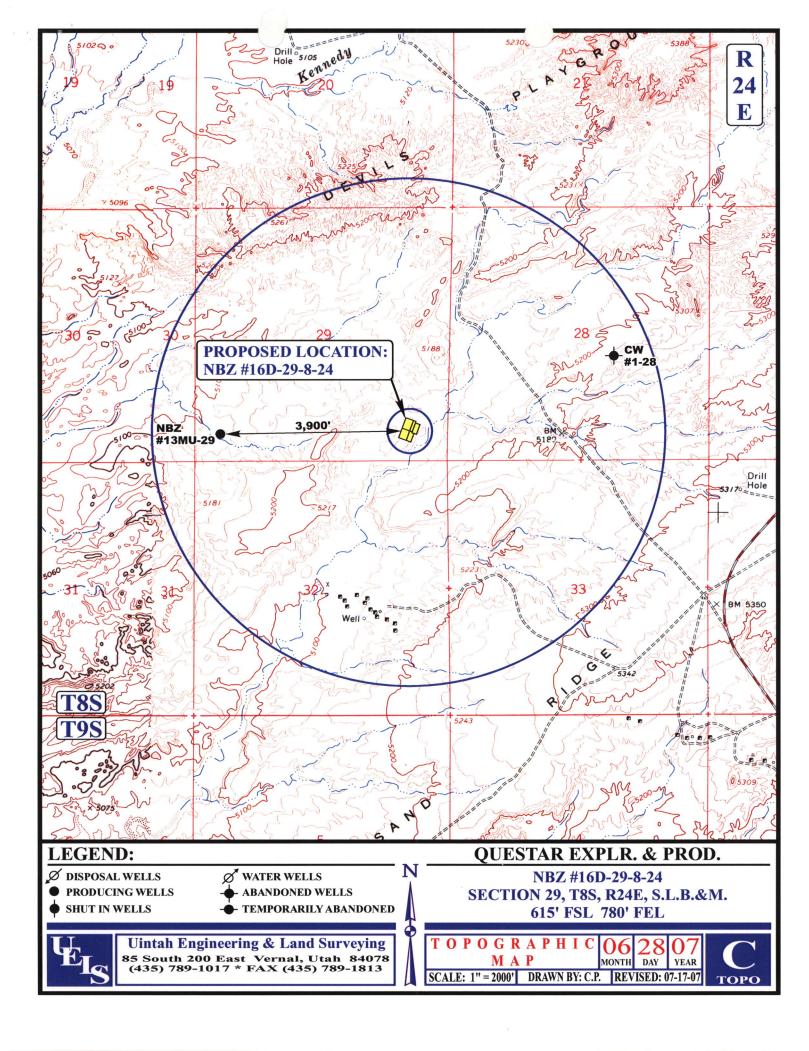


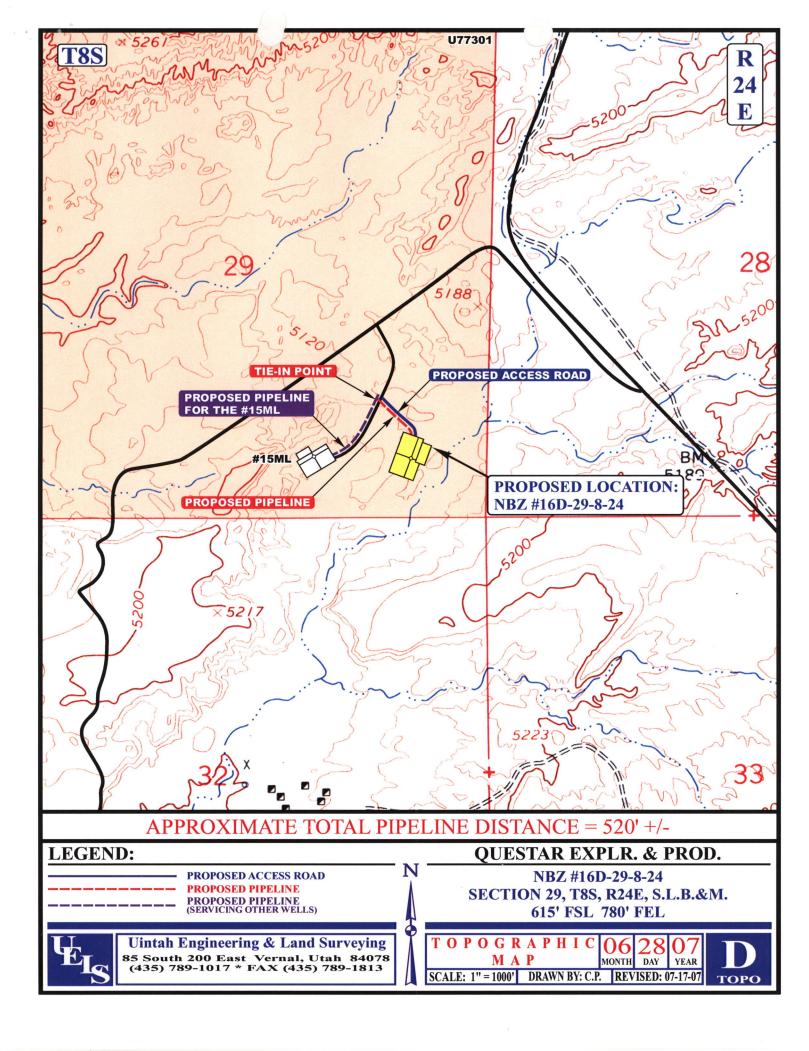




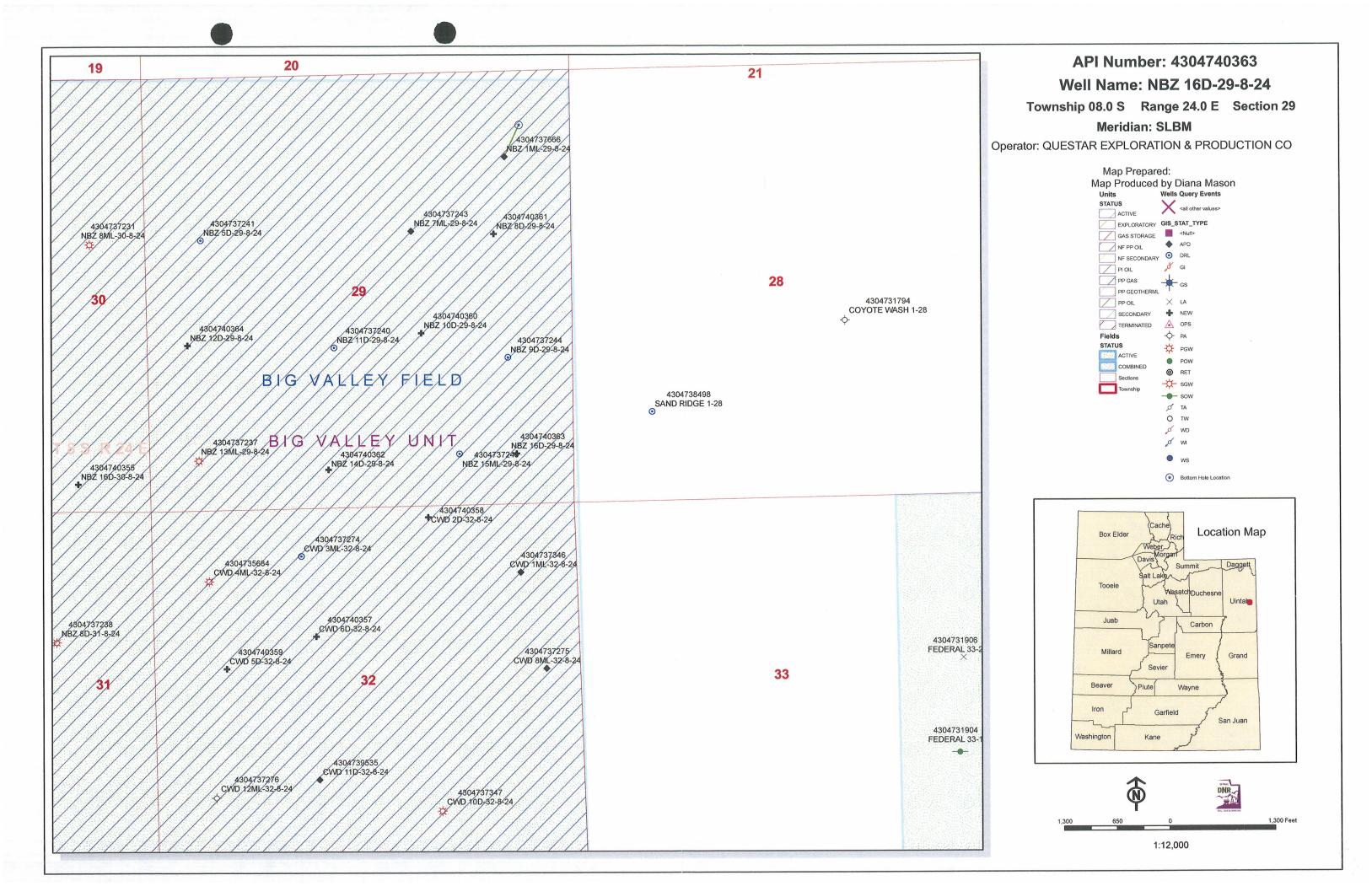








APD RECEIVED: 09/15/2008	API NO. ASSIG	NED: 43-047	-40363
WELL NAME: NBZ 16D-29-8-24			
OPERATOR: QUESTAR EXPLORATION & (N5085)	PHONE NUMBER:	435-781-4331	_
	THOME NOMBER.	100 / 01 1001	·
CONTACT: JAN NELSON			
PROPOSED LOCATION:	INSPECT LOCATN	BY: /	/
SESE 29 080S 240E SURFACE: 0615 FSL 0780 FEL	Tech Review	Initials	Date
BOTTOM: 0615 FSL 0780 FEL	Engineering		
COUNTY: UINTAH LATITUDE: 40.08803 LONGITUDE: -109.2307	Geology		
UTM SURF EASTINGS: 650841 NORTHINGS: 44388	Surface		
FIELD NAME: BIG VALLEY (791)		
LEASE TYPE: 1 - Federal LEASE NUMBER: UTU-77301 SURFACE OWNER: 1 - Federal	PROPOSED FORMAT		A
RECEIVED AND/OR REVIEWED:	LOCATION AND SITING:		
Plat	R649-2-3.		
Bond: Fed[1] Ind[] Sta[] Fee[]			
	Unit: BIG VALLEY	<u></u>	
(No. <u>ESB000024</u>)	R649-3-2. Gener	a 1	
	Siting: 460 From Qt		atwaan Walle
Oil Shale 190-5 (B) or 190-3 or 190-13		****	ecween weils
Water Permit	R649-3-3. Excep	tion	
(No. <u>49-2153</u>)	Drilling Unit		
<u>→</u> RDCC Review (Y/N)	Board Cause No:		
(Date:)	Eff Date:		
MAP Fee Surf Agreement (Y/N)	Siting:		
Intent to Commingle (Y/N)	R649-3-11. Dire	ctional Dril	.1.
COMMENTS:			
		-	
STIPULATIONS: 1- Code of Confession of State of Confession	Para		



United States Department of the Interior

BUREAU OF LAND MANAGEMENT Utah State Office P.O. Box 45155 Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

September 23, 2008

Memorandum

To:

Assistant District Manager Minerals, Vernal District

From:

Michael Coulthard, Petroleum Engineer

Subject:

2008 Plan of Development Big Valley Unit, Uintah County,

Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2008 within the Big Valley, Uintah County, Utah.

API#

WELL NAME

LOCATION

(Proposed PZ Dakota)

43-047-40360 NBZ 10D-29-8-24 Sec 29 T08S R24E 2109 FSL 1927 FEL 43-047-40361 NBZ 08D-29-8-24 Sec 29 T08S R24E 1979 FNL 1006 FEL 43-047-40362 NBZ 14D-29-8-24 Sec 29 T08S R24E 0469 FSL 2170 FWL 43-047-40363 NBZ 16D-29-8-24 Sec 29 T08S R24E 0615 FSL 0780 FEL 43-047-40364 NBZ 12D-29-8-24 Sec 29 T08S R24E 2014 FSL 0463 FWL 43-047-40365 NBZ 13D-30-8-24 Sec 30 T08S R24E 0504 FSL 0772 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc:

File - Big Valley Unit

Division of Oil Gas and Mining

Central Files Agr. Sec. Chron Fluid Chron

MCoulthard:mc:9-23-08





MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 25, 2008

Questar Exploration & Production Company 11002 E 17500 S Vernal, UT 84078

Re:

NBZ 16D-29-8-24 Well, 615' FSL, 780' FEL, SE SE, Sec. 29, T. 8 South, R. 24 East,

Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40363.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc:

Uintah County Assessor

Bureau of Land Management, Vernal Office



Operator:	Questar Exploration & Production Company			
Well Name & Number	NBZ 16D-29-8-24			
API Number:	43-047-40363			
Lease:	UTU-77301			

Location: SE SE

Sec. 29

T. 8 South

R. 24 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dustin Doucet at (801) 538-5281 office

(801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. 1. TYPE OF WELL Gas Well 2. NAME OF OPERATOR: QUESTAR EXPLORATION & PRODUCTION CO 3. ADDRESS OF OPERATOR: 11002 East 17500 South, Vernal, UT, 84078 5. LEASE DESIGNATION AND SERIAL NUMBER: 4. LITU-77301 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: BIG VALLEY 8. WELL NAME and NUMBER: NBZ 16D-29-8-24 9. API NUMBER: 43047403630000		STATE OF UTAH				FORM 9
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. 1. TYPE OF WELL Gas Well 2. NAME OF OPERATOR: QUESTAR EXPLORATION & PRODUCTION CO 3. ADDRESS OF OPERATOR: PHONE NUMBER: 9. FIELD and POOL or WILDCAT:						
bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. 1. TYPE OF WELL Gas Well 2. NAME OF OPERATOR: QUESTAR EXPLORATION & PRODUCTION CO 3. ADDRESS OF OPERATOR: PHONE NUMBER: 9. FIELD and POOL or WILDCAT:		6. IF IN	DIAN, ALLOTTEE OR TRIBE NAME:			
Gas Well 2. NAME OF OPERATOR: QUESTAR EXPLORATION & PRODUCTION CO 3. ADDRESS OF OPERATOR: PHONE NUMBER: 9. API NUMBER: 43047403630000 9. FIELD and POOL or WILDCAT:	bottom-hole depth, reenter plu	igged wells, or to drill horizontal laterals.				
QUESTAR EXPLORATION & PRODUCTION CO 43047403630000 3. ADDRESS OF OPERATOR: PHONE NUMBER: 9. FIELD and POOL or WILDCAT:						
		ODUCTION CO				
		rnal, UT, 84078 435 781		NUMBER:		
4. LOCATION OF WELL FOOTAGES AT SURFACE: UINTAH 0615 FSL 0780 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:	FOOTAGES AT SURFACE: 0615 FSL 0780 FEL	IP RANGE MERIDIAN:			UINTAF	
Qtr/Qtr: SESE Section: 29 Township: 08.0S Range: 24.0E Meridian: S STATE: UTAH			S			
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		CK APPROPRIATE BOXES TO INDICA	ATE NATUR	E OF NOTICE, REPOR	T, OR OTH	ER DATA
TYPE OF SUBMISSION TYPE OF ACTION	TYPE OF SUBMISSION		7	TYPE OF ACTION		
☐ ACIDIZE ☐ ALTER CASING ☐ CASING REPAIR		_ ACIDIZE	ALTER C	CASING		CASING REPAIR
✓ NOTICE OF INTENT □ CHANGE TO PREVIOUS PLANS □ CHANGE TUBING □ CHANGE WELL NAME 9/25/2010 □	Approximate date work will start:	_	_			
CHANGE WELL STATUS COMMINGLE PRODUCING FORMATIONS CONVERT WELL TYPE	3,23,2010	_	_			
SUBSEQUENT REPORT DEEPEN FRACTURE TREAT NEW CONSTRUCTION Date of Work Completion:			_		_	
☐ PRODUCTION START OR RESUME ☐ RECLAMATION OF WELL SITE ☐ RECOMPLETE DIFFERENT FORMATION		_			_	
SPUD REPORT Date of Spud: PRODUCTION START OR RESUME RECLAMATION OF WELL SITE RECOMPLETE DIFFERENT FORMATION SIDETRACK TO REPAIR WELL TEMPORARY ABANDON			_			
TUBING REPAIR UNITED VENT OR FLARE WELL HEMPORARY ABANDON	Date of Spud.	_	_		_	
□ DRILLING REPORT □ WATER SHUTOFF □ SI TA STATUS EXTENSION ✓ APD EXTENSION	Detiling bedort				-	
Report Date: WILDCAT WELL DETERMINATION OTHER:						
						'
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Questar Exploration and Production Company hereby requests one year					s, volumes, e	tc.
extension for the APD on the above captioned well. Approved by the						
Utah Division of Oil, Gas and Mining						
On, Gas and Mining					OII,	, Gas and Mining
Date: September 30, 2009					Date:_	September 30, 2009
- Localil					-	nacil M
By: Down Albacian					By: (1)	of the second
NAME (PLEASE PRINT) Jan Nelson 435 781-4331 PHONE NUMBER Permit Agent						
SIGNATURE DATE 9/23/2009	l .					



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047403630000

API: 43047403630000 **Well Name:** NBZ 16D-29-8-24

Location: 0615 FSL 0780 FEL QTR SESE SEC 29 TWNP 080S RNG 240E MER S

Company Permit Issued to: QUESTAR EXPLORATION & PRODUCTION CO

Date Original Permit Issued: 9/25/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

 If located on private land, has the ownership changed, if so, has the surface agreement been updated? (Yes land No · Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?
Yes
No Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? (Yes (No · Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? 📗 Yes 📵 No Has the approved source of water for drilling changed?

Yes Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? (ii) Yes (iii) No Approved by the • Is bonding still in place, which covers this proposed well? Yes 📖 No Utah Division of Oil, Gas and Mining

Signature: Jan Nelson **Date:** 9/23/2009

Title: Permit Agent Representing: QUESTAR EXPLORATION & PRODUCTIO Pate: September 30, 2009

Bv:

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

(for state use only)

ROUTING	
CDW	

Change of Operator (Well Sold)	Х-	Operator	· Name Chan	ge				
The operator of the well(s) listed below has chan	ged, e	effectiv	re:			6/14/2010		
FROM: (Old Operator): N5085-Questar Exploration and Production Compa 1050 17th St, Suite 500 Denver, CO 80265	ny				- '	te 500		
Phone: 1 (303) 308-3048	Phone: 1 (303) 308-3048							
CA No.	Unit:							
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED								
OPERATOR CHANGES DOCUMENT. Enter date after each listed item is completed 1. (R649-8-10) Sundry or legal documentation was			rom the	FORMER on	erator on:	6/28/2010		
2. (R649-8-10) Sundry or legal documentation wa						6/28/2010	•	
3. The new company was checked on the Depart i							-	6/24/2010
4a. Is the new operator registered in the State of U				Business Numb		764611-0143		0/24/2010
5a. (R649-9-2)Waste Management Plan has been re	ceive	d on:		Requested			-	
5b. Inspections of LA PA state/fee well sites compl	lete or	n:		n/a				
5c. Reports current for Production/Disposition & S				ok				
6. Federal and Indian Lease Wells: The BL					e merger, na	me change,		
or operator change for all wells listed on Federa	al or I	ndian 1	leases o	n:	BLM	8/16/2010	BIA	not yet
7. Federal and Indian Units:								•
The BLM or BIA has approved the successor					ı:	8/16/2010	_	
8. Federal and Indian Communization Ag	reem	ents ("CA") :			-	
The BLM or BIA has approved the operator f						N/A	_	
9. Underground Injection Control ("UIC"							ity to	
Inject, for the enhanced/secondary recovery un	it/pro	ject for	r the wa	ter disposal we	ell(s) listed o	on:	6/29/2010	_
DATA ENTRY:								
1. Changes entered in the Oil and Gas Database				6/30/2010	_			
2. Changes have been entered on the Monthly Op	erato	or Cha	nge Sp	read Sheet on:	:	6/30/2010		
3. Bond information entered in RBDMS on:				6/30/2010	- .			
4. Fee/State wells attached to bond in RBDMS on				6/30/2010	_			
5. Injection Projects to new operator in RBDMS of		T A T	,	6/30/2010	- ,			
6. Receipt of Acceptance of Drilling Procedures for	or AP	D/New	v on:		n/a			
BOND VERIFICATION:								
1. Federal well(s) covered by Bond Number:				ESB000024	_			
2. Indian well(s) covered by Bond Number:	11	17-3-11:-4		965010693	- ,	065010605		
3a. (R649-3-1) The NEW operator of any state/fee					umber	965010695		
3b. The FORMER operator has requested a release			trom th	eir bond on:	n/a	-		
LEASE INTEREST OWNER NOTIFIC								
4. (R649-2-10) The NEW operator of the fee wells	nas b	een co	ntacted	and informed l		om the Division		
of their responsibility to notify all interest owner COMMENTS :	s or t	nis cna	inge on:		n/a			

STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL GAS AND MINING

	5. LEASE DESIGNATION AND SERIAL NUMBER: See attached				
SUNDR	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: See attached				
- The free free free free free free free fr	new wells, significantly deepen existing wells below a laterals. Use APPLICATION FOR PERMIT TO DRILL	urrent bottom-hole depth, reenter plugged wells, or to form for such proposals.	7. UNIT or CA AGREEMENT NAME: See attached		
1 TYPE OF WELL OIL WELL	GAS WELL OTHER		8. WELL NAME and NUMBER: See attached		
2 NAME OF OPERATOR: Questar Exploration and	Production Company N5	085	9. API NUMBER: Attached		
3. ADDRESS OF OPERATOR: 1050 17th Street, Suite 500	Denies	PHONE NUMBER:	10. FIELD AND POOL, OR WILDCAT: See attached		
LOCATION OF WELL FOOTAGES AT SURFACE: See a			COUNTY: Attached		
QTR/QTR, SECTION, TOWNSHIP, RAP	NGE, MERIDIAN:		STATE:		
11 CHECK APP	ROPRIATE BOXES TO INDICA	TE NATURE OF NOTICE, REPO	UTAH		
TYPE OF SUBMISSION	TO THE PORT OF THE	TYPE OF ACTION	RI, UR OTHER DATA		
Effective June 14, 2010 Q change involves only an ir employees will continue to continue to be covered by Federal Bond Number: 96 Utah State Bond Number: Fee Land Bond Number: 7994 The attached document is	nuestar Exploration and Production ternal corporate name change at the beautiful ternal corporate name change at the beautiful ternal corporate name change at the beautiful ternal corporate name change at the second substitution of the second substitution and the second substitution and substit	ind no third party change of operations the properties described on the a	QEP Energy Company. This name tor is involved. The same ttached list. All operations will		
NAME (PLEASE PRINT) Morgan An	ıderson	TITLE Regulatory Affairs	Analyst		
SIGNATURE MODALI	Anderon	DATE 6/23/2010			
This space for State use only)					

RECEIVED

JUN 2 8 2010

(See Instructions on Reverse Side)

APPROVED 61301 2009
Carlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

Questar Exploration Production Company (N5085) to QEP Energy Company (N3700) BIG VALLEY effective June 14, 2010

well_name	sec	twp	rng	api	entity	mineral	type	stat	C
RWS 3ML-9-9-24	09	0905	240F	4304735483	15190	lease Federal	GW	S	
RWS 10ML-6-9-24	06			4304735653	17644	Federal	GW	P	
CWD 4ML-32-8-24	32			4304735684					_
NBZ 4D-30-8-24	30			4304737229	17644	Federal		S	
NBZ 6ML-30-8-24	30			4304737229	16630	Federal	GW	OPS	C
NBZ 8ML-30-8-24	30			4304737231	16810	Federal	GW	OPS	C
NBZ 10ML-30-8-24	30			4304737231	17644	Federal	GW	P	
NBZ 12D-30-8-24	30			4304737232	16695	Federal	GW	OPS	<u>C</u>
NBZ 14ML-30-8-24	30			4304737233	16631	Federal	GW	OPS	C
NBZ 6D-31-8-24	31				16696	Federal	GW	OPS	C
NBZ 4D-31-8-24				4304737235	16611	Federal	GW	OPS	C
NBZ 13ML-29-8-24	31			4304737236	16576	Federal	GW	OPS	C
NBZ 8D-31-8-24	29			4304737237	17644	Federal	GW	P	
NBZ 2ML-31-8-24	31			4304737238	17644	Federal	GW	P	
NBZ 11D-29-8-24	31			4304737239	17098	Federal	GW	OPS	C
NBZ 5D-29-8-24	29			4304737240	16612	Federal	GW	OPS	C
NBZ 9D-29-8-24	29			4304737241	16632	Federal	GW	OPS	C
The second secon	29			4304737244	15677	Federal	GW	OPS	C
NBZ 15ML-29-8-24 CWD 3D-32-8-24				4304737246	16697	Federal	GW	OPS	C
The state of the s				4304737274	16923	Federal	GW	OPS	C
CWD 14ML-32-8-24				4304737277	17644	Federal	GW	P	
CWD 16D-32-8-24				4304737278	17644	Federal	GW	P	
RWS 2ML-5-9-24				4304737306	17644	Federal	GW	P	
RWS 8D-5-9-24				4304737307	16614	Federal	GW	OPS	C
RWS 10ML-5-9-24				4304737308	17644	Federal	GW	S	
RWS 12ML-5-9-24				4304737309	17644	Federal	GW	P	
RWS 14D-5-9-24				4304737310	17644	Federal	GW	P	
RWS 16ML-5-9-24				4304737311	16698	Federal	GW	OPS	C
RWS 12ML-6-9-24				4304737312	17644	Federal	GW	P	
RWS 16ML-6-9-24				4304737335	17644	Federal	GW	P	
CWD 10D-32-8-24				4304737347	17644	Federal	GW	P	
RWS 6D-5-9-24				4304737350	17644	Federal	GW	P	
RWS 4ML-5-9-24				4304737351	17644	Federal	GW	P	
RWS 8D-6-9-24				4304737352	17644	Federal	GW	P	
RWS 2D-6-9-24				4304737411	17272	Federal	GW	OPS	C
RWS 4ML-6-9-24				4304737412	17644	Federal	GW	S	
RWS 6D-6-9-24				4304737413	17644	Federal	GW	P	
RWS 14D-6-9-24	06	090S	240E	4304737414	17644	Federal	GW	P	
RWS 5ML-9-9-24	09	090S	240E	4304738645	17273	Federal	GW	OPS	С
RWS 12ML-9-9-24	09	090S	240E	4304738646	17274			OPS	C
NBZ 16D-31-8-24				4304739435			GW	APD	C
NBZ 10D-31-8-24				4304739456			GW	APD	C
NBZ 12D-31-8-24	31	080S	240E	4304739457				APD	C
NBZ 14D-31-8-24	31	080S	240E	4304739458				APD	C
CWD 13D-32-8-24	32	080S	240E 4	4304739464				APD	C
RWS 7D-6-9-24	06	090S	240E	4304739494				APD	C
RWS 13D-6-9-24				4304739495				APD	C
RWS 11D-6-9-24				4304739496				APD	C
RWS 9D-6-9-24				4304739497				APD	C
RWS 3D-6-9-24				4304739498				APD	C
RWS 15D-6-9-24				4304739500	 			APD	C

Bonds: BLM = ESB000024 BIA = 956010693 State = 965010695

Questar Exploration Production Company (N5085) to QEP Energy Company (N3700) BIG VALLEY effective June 14, 2010

well_name	sec	twp	rng	api	entity	mineral	type	stat	C
						lease			
RWS 5D-6-9-24	06			4304739501		Federal	GW	APD	C
RWS 7D-5-9-24	05	090S	240E	4304739502		Federal		APD	C
RWS 11D-5-9-24	05	090S	240E	4304739503		Federal		APD	C
RWS 9D-5-9-24	05			4304739504		Federal	GW	APD	C
RWS 13D-5-9-24	05			4304739505		Federal		APD	C
RWS 15D-5-9-24	05			4304739506		Federal		APD	C
RWS 3D-5-9-24	05			4304739507		Federal		APD	$\frac{c}{c}$
RWS 1D-5-9-24	05			4304739508		Federal		APD	C
NBZ 5D-31-8-24	31			4304739511		Federal	GW	APD	$\frac{c}{c}$
CWD 11D-32-8-24	32			4304739535			GW	APD	C
CWD 15D-32-8-24	32			4304739536			GW	APD	C
RWS 5D-5-9-24	05			4304739673		Federal	GW	APD	C
RWS 1D-6-9-24	06			4304739674		Federal		APD	$\frac{c}{c}$
NBZ 3D-31-8-24	31			4304739675		Federal		APD	C
NBZ 16D-30-8-24	30			4304740355		Federal	GW	APD	C
NBZ 15D-30-8-24				4304740356		Federal		APD	C
CWD 6D-32-8-24				4304740357		·	GW	APD	$\frac{c}{c}$
CWD 2D-32-8-24	32			4304740358			 	APD	C
CWD 5D-32-8-24	32			4304740359		Federal	GW	APD	C
NBZ 10D-29-8-24				4304740360		Federal		APD	C
NBZ 8D-29-8-24				4304740361		Federal	4	APD	C
NBZ 14D-29-8-24				4304740362		Federal		APD	C
NBZ 16D-29-8-24				4304740363		Federal		APD	C
NBZ 12D-29-8-24				4304740364		Federal		APD	C
NBZ 13D-30-8-24				4304740365		Federal		APD	C
RWS 4D-9-9-24				4304740470		Federal		APD	C
NBZ 9D-30-8-24				4304740471				APD	C
NBZ 11D-30-8-24				4304740472		Federal		APD	C
NBZ 7D-30-8-24				4304740473		Federal		APD	C
NBZ 2D-29-8-24				4304740476		Federal		APD	C
CWD 7D-32-8-24				4304740477		Federal		APD	C
CWD 9D-32-8-24				4304740478		Federal		APD APD	C
RWS 6D-9-9-24				4304740479		Federal		APD APD	C
RWS 13D-9-9-24				4304740480		Federal		APD APD	C
NBZ 6D-29-8-24				4304740483		Federal			C
NBZ 1D-30-8-24				4304740484				APD	
NBZ 2D-30-8-24				4304740484				APD	C
NBZ 3D-30-8-24				4304740486		Federal Federal		APD APD	C

Bonds: BLM = ESB000024 BIA = 956010693 State = 965010695



United States Department of the Interior



BUREAU OF LAND MANAGEMENT Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155 http://www.blm.gov/ut/st/en.html

IN REPLY REFER TO: 3100 (UT-922)

JUL 2 8 2010

Memorandum

To:

Vernal Field Office, Price Field Office, Moab Field Office Roja L Bankert

From:

Chief, Branch of Minerals

Subject:

Name Change Recognized

Attached is a copy of the Certificate of Name Change issued by the Texas Secretary of State and a decision letter recognizing the name change from the Eastern States Office. We have updated our records to reflect the name change in the attached list of leases.

The name change from Questar Exploration and Production Company into QEP Energy Company is effective June 8, 2010.

cc:

MMS UDOGM

AUG 16 20:0

DIV. OF OIL, GAS a mine

	STATE OF UTAH		FORM 9		
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING			5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-77301		
	RY NOTICES AND REPORTS		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:		
Do not use this form for propo bottom-hole depth, reenter plu DRILL form for such proposals	sals to drill new wells, significantly deepen on gged wells, or to drill horizontal laterals. Us	existing wells below current se APPLICATION FOR PERMIT TO	7.UNIT or CA AGREEMENT NAME: BIG VALLEY		
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBZ 16D-29-8-24		
2. NAME OF OPERATOR: QEP ENERGY COMPANY			9. API NUMBER: 43047403630000		
3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vei		E NUMBER: 068 Ext	9. FIELD and POOL or WILDCAT: BIG VALLEY		
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0615 FSL 0780 FEL			COUNTY: UINTAH		
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 29 Township: 08.0S Range: 24.0E Meridian: S			STATE: UTAH		
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION		TYPE OF ACTION			
	☐ ACIDIZE	ALTER CASING	☐ CASING REPAIR		
NOTICE OF INTENT Approximate date work will start: 9/25/2011	☐ CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME		
	☐ CHANGE WELL STATUS ☐ DEEPEN	☐ COMMINGLE PRODUCING FORMATIONS ☐ FRACTURE TREAT	☐ CONVERT WELL TYPE ☐ NEW CONSTRUCTION		
SUBSEQUENT REPORT Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	□ PLUG BACK		
_	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION		
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON		
	☐ TUBING REPAIR	VENT OR FLARE	☐ WATER DISPOSAL		
☐ DRILLING REPORT	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION		
Report Date:	☐ WILDCAT WELL DETERMINATION	OTHER	OTHER:		
NAME (PLEASE PRINT) Jan Nelson	PHONE NUMBER 435 781-4331	TITLE Permit Agent			
SIGNATURE N/A		DATE 9/23/2010			



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047403630000

API: 43047403630000 **Well Name:** NBZ 16D-29-8-24

Location: 0615 FSL 0780 FEL QTR SESE SEC 29 TWNP 080S RNG 240E MER S

Company Permit Issued to: QEP ENERGY COMPANY

Date Original Permit Issued: 9/25/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

me revision. Following is a checklist of some items related to the application, which should be verified.
 If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
 Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
 Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
 Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
• Has the approved source of water for drilling changed? Yes No
 Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
• Is bonding still in place, which covers this proposed well? • Yes Oil, Gas and Mining

Signature: Jan Nelson **Date:** 9/23/2010

Title: Permit Agent Representing: QEP ENERGY COMPANY

Date: September 28, 2010

Bv:

Sundry Number: 18739 API Well Number: 43047403630000

	STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES		FORM 9
DIVISION OF OIL, GAS, AND MINING			5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-77301
SUNDF	RY NOTICES AND REPORTS (ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	sals to drill new wells, significantly deepen e igged wells, or to drill horizontal laterals. Uso		7.UNIT OF CA AGREEMENT NAME: BIG VALLEY
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBZ 16D-29-8-24
2. NAME OF OPERATOR: QEP ENERGY COMPANY			9. API NUMBER: 43047403630000
3. ADDRESS OF OPERATOR: 11002 East 17500 South , Ver		E NUMBER: 68 Ext	9. FIELD and POOL or WILDCAT: BIG VALLEY
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0615 FSL 0780 FEL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SESE Section: 29	(P, RANGE, MERIDIAN: Township: 08.0S Range: 24.0E Meridian: S		STATE: UTAH
11. CHE	CK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPORT	, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	☐ ACIDIZE [ALTER CASING	☐ CASING REPAIR
Approximate date work will start:	☐ CHANGE TO PREVIOUS PLANS	CHANGE TUBING	☐ CHANGE WELL NAME
9/25/2012	☐ CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
SUBSEQUENT REPORT	☐ DEEPEN [FRACTURE TREAT	☐ NEW CONSTRUCTION
Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
_	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	☐ TUBING REPAIR [VENT OR FLARE	WATER DISPOSAL
☐ DRILLING REPORT	□ WATER SHUTOFF [SI TA STATUS EXTENSION	✓ APD EXTENSION
Report Date:	☐ WILDCAT WELL DETERMINATION [OTHER	OTHER:
			<u></u>
QEP ENERGY COMPAN	MPLETED OPERATIONS. Clearly show all perti NY HEREBY REQUESTS A ONE Y PD ON THE ABOVE CAPTIONED	EAR EXTENSION FOR TH	
		r	09/27/2011
		•	D contill
		E	By: Down July
			7
NAME (PLEASE PRINT)	PHONE NUMBER	TITLE	
Valyn Davis	435 781-4369	Regulatory Affairs Analyst	
SIGNATURE N/A		DATE 9/22/2011	

Sundry Number: 18739 API Well Number: 43047403630000



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047403630000

API: 43047403630000 **Well Name:** NBZ 16D-29-8-24

Location: 0615 FSL 0780 FEL QTR SESE SEC 29 TWNP 080S RNG 240E MER S

Company Permit Issued to: QEP ENERGY COMPANY

Date Original Permit Issued: 9/25/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

• If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
 Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
 Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
 Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
• Has the approved source of water for drilling changed? Yes No
 Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
• Is bonding still in place, which covers this proposed well? Yes No

Signature: Valyn Davis **Date:** 9/22/2011

Title: Regulatory Affairs Analyst Representing: QEP ENERGY COMPANY

Form 3160-5 (August 2007)

12RRHINTLSE

RECEIVED UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

Lease Serial No. UTU77301

SUNDRY NOTICES AND REPORTS ON WELLS not use this form for proposale to 1.1. Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposition 6. If Indian, Allottee or Tribe Name SUBMIT IN TRIPLICATE - Other instructions on reverse side. If Unit or CA/Agreement, Name and/or No. UTU81308C Type of Well Well Name and No. Oil Well Gas Well Other NBZ 16D-29-8-24 Name of Operator QEP ENERGY COMPANY VALYN DAVIS Contact: API Well No. E-Mail: Valyn.Davis@qepres.com 43-047-40363-00-X1 3b. Phone No. (include area code) Ph: 435-781-4369 3a. Address 10. Field and Pool, or Exploratory 11002 EAST 17500 SOUTH UNDESIGNATED VERNAL, UT 84078 Fx: 435-781-4395 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, and State Sec 29 T8S R24E SESE 615FSL 780FEL UINTAH COUNTY, UT 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION ☐ Acidize □ Deepen Production (Start/Resume) ☐ Water Shut-Off Notice of Intent Alter Casing ☐ Fracture Treat ☐ Reclamation ☐ Well Integrity ☐ Subsequent Report Casing Repair ■ New Construction Other ☐ Recomplete Other Change to Original Final Abandonment Notice Change Plans Plug and Abandon ☐ Temporarily Abandon Convert to Injection ☐ Plug Back ☐ Water Disposal 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) QEP ENERGY COMPANY HEREBY REQUESTS A TWO YEAR EXTENSION FOR THE APD ON THE ABOVE CAPTIONED WELL. BLM APPROVAL DATE: 12/15/2009 RECEIVED **VERNAL FIELD OFFICE** FEB 0 3 2012 GEOL DIV. OF OIL, GAS & MINING CONDITIONS OF APPROVAL ATTACHED PET 14. I hereby certify that the foregoing is true and correct. Electronic Submission #125477 verified by the BLM Well Information System For QEP ENERGY COMPANY, sent to the Vernal Committed to AFMSS for processing by ROBIN R. HANSEN on 12/21/2011 (12RRH1076SE) Name (Printed/Typed) VALYN DAVIS REGULATORY AFFAIRS ANALYST Signature (Electronic Submission) Date 12/13/2011 THIS SPACE FOR FEDERAL OR STATE OFFICE USE Assistant Field Manager JAN_a, 19 2012 Lands & Mineral Resources Approved By Title Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds degal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. attached. Approval of this notice does not warrant or VERNAL FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CONDITIONS OF APPROVAL

QEP ENERGY COMPANY

Notice of Intent APD Extension

Lease:

UTU-77301

Well:

NBZ 16D-29-8-24

Location:

SESE Sec 29-T8S-R24E

An extension for the referenced APD is granted as requested with the following conditions:

- 1. The extension and APD shall expire on 12/15/2013.
- 2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Robin L Hansen of this office at (435) 781-2777

Sundry Number: 30161 API Well Number: 43047403630000

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. 1. TYPE OF WELL Gas Well 8. WELL NAME and NUMBER: NBZ 16D-29-8-24	
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. 1. TYPE OF WELL 8. WELL NAME and NUMBER:	VIE:
current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. 7.UNIT or CA AGREEMENT NAME: BIG VALLEY 8. WELL NAME and NUMBER:	
2. NAME OF OPERATOR: QEP ENERGY COMPANY 9. API NUMBER: 43047403630000	
3. ADDRESS OF OPERATOR: PHONE NUMBER: 9. FIELD and POOL or WILDCAT: 11002 East 17500 South, Vernal, Ut, 84078 303 308-3068 Ext BIG VALLEY	
4. LOCATION OF WELL FOOTAGES AT SURFACE: UINTAH	
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 29 Township: 08.0S Range: 24.0E Meridian: S STATE: UTAH	
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA	
TYPE OF SUBMISSION TYPE OF ACTION	
NOTICE OF INTENT Approximate date work will samt: 9/25/2013	12
NAME (PLEASE PRINT) PHONE NUMBER TITLE	
Valyn Davis 435 781-4369 Regulatory Affairs Analyst	

Sundry Number: 30161 API Well Number: 43047403630000



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047403630000

API: 43047403630000 Well Name: NBZ 16D-29-8-24

Location: 0615 FSL 0780 FEL QTR SESE SEC 29 TWNP 080S RNG 240E MER S

Company Permit Issued to: QEP ENERGY COMPANY

Date Original Permit Issued: 9/25/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

 If located on private land, has the owners Yes No 	hip changed, if so, has the surface agreement been updated? 🔵
Have any wells been drilled in the vicinity requirements for this location? Yes	of the proposed well which would affect the spacing or siting No
Has there been any unit or other agreeme proposed well? Yes No	nts put in place that could affect the permitting or operation of this
Have there been any changes to the access proposed location? Yes No	ss route including ownership, or rightof- way, which could affect the
• Has the approved source of water for drill	ing changed? 🔘 Yes 📵 No
Have there been any physical changes to plans from what was discussed at the ons	the surface location or access route which will require a change in site evaluation? (Yes (No
• Is bonding still in place, which covers this	s proposed well? 🃵 Yes 🔘 No
nature: Valvn Davis Da	ite: 9/24/2012

Sig

Title: Regulatory Affairs Analyst Representing: QEP ENERGY COMPANY

Sundry Number: 42837 API Well Number: 43047403630000

	STATE OF UTAH		FORM 9
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING			5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-77301
SUNDF	RY NOTICES AND REPORTS C	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	oposals to drill new wells, significantly d reenter plugged wells, or to drill horizon n for such proposals.		7.UNIT or CA AGREEMENT NAME: BIG VALLEY
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: NBZ 16D-29-8-24
2. NAME OF OPERATOR: QEP ENERGY COMPANY			9. API NUMBER: 43047403630000
3. ADDRESS OF OPERATOR: 11002 East 17500 South,		PHONE NUMBER: 308-3068 Ext	9. FIELD and POOL or WILDCAT: BIG VALLEY
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0615 FSL 0780 FEL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 29 Township: 08.0S Range: 24.0E Meridian: S			STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPO			RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
7	ACIDIZE [ALTER CASING	CASING REPAIR
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
9/25/2014	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE
SUBSEQUENT REPORT	DEEPEN [FRACTURE TREAT	☐ NEW CONSTRUCTION
Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
DRILLING REPORT	WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION
Report Date:	WILDCAT WELL DETERMINATION	OTHER	OTHER:
42 DESCRIPE PROPOSED OR	COMPLETED OPERATIONS. Clearly show al	U noviment details including detac	<u> </u>
QEP ENERGY COMPA	ANY HEREBY REQUESTS A ONE APTIONS APD ON THE ABOVE CAPTIONS	E YEAR EXTENSION FOR	Approved by the Utah Division of Oil, Gas and Mining
			Date: September 25, 2013
			By: Locall
			7 ~
NAME (PLEASE PRINT)	PHONE NUMBE	R TITLE Regulatory Affairs Analyst	
Valyn Davis SIGNATURE	435 781-4369	DATE	
N/A		9/23/2013	

Sundry Number: 42837 API Well Number: 43047403630000



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047403630000

API: 43047403630000 Well Name: NBZ 16D-29-8-24

Location: 0615 FSL 0780 FEL QTR SESE SEC 29 TWNP 080S RNG 240E MER S

Company Permit Issued to: QEP ENERGY COMPANY

Date Original Permit Issued: 9/25/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

• If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
 Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
• Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? (Yes (No
• Has the approved source of water for drilling changed? 🦳 Yes 🌘 No
• Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
• Is bonding still in place, which covers this proposed well? 📵 Yes 🔘 No
natura: Valva Davis Date: 0/23/2013

Signature: Valyn Davis **Date:** 9/23/2013

Title: Regulatory Affairs Analyst Representing: QEP ENERGY COMPANY

WELL SEARCH WELL DATA WELL HISTORY WELL ACTIVITY WELL STATUS LA OPERATOR OPERATOR OPERATOR DESIGNATED OPERATOR ACCOUNT WELL DATA ACCOUNT FIELD NUMBER 791 FIRST PRODUCTION LAI PADATE 9 18 2014 WELL LOCATION CONFIDENTIAL FLAG CONFIDENTIAL DATE OQ. S. T. R. M. SESE 29 08.0 5 24.0 E 5 DIRECTIONAL HORIZONTAL LATERALS UTM COORDINATES SURFACE - N. 4439023.00 BHL - N WELL ACTIVITY WELL STATUS LA OPERATOR OPERATOR ACCOUNT N3700 \$ OPERATOR APPROVED BY BLM / BIA FO OPERATOR OPERATOR ACCOUNT FIRST PRODUCTION LAI PADATE 9 18 2014 LEASE NUMBER UTU-77301 SURFACE OWNER TYPE 1 CA NUMBER CA NUMBER	
OPERATOR OEP ENERGY COMPANY ACCOUNT N3700 POPERATOR APPROVED BY BLM / BIA FOR SIGNATED OPERATOR SIGNATED OPERATOR ACCOUNT ACCOUNT ACCOUNT LA PA DATE 9 18 2014 LEASE NUMBER UTU-77301 JUNE LOCATION 0615 F SL 0780 F EL CONFIDENTIAL DATE MINERAL LEASE TYPE 1	
OPERATOR GEP ENERGY COMPANY ACCOUNT M3700 # OPERATOR APPROVED BY BLM / BIA F SIGNATED OPERATOR ACCOUNT LO NAME BIG VALLEY FIELD NUMBER 791 FIRST PRODUCTION LA PADATE 9 18 2014 LL LOCATION CONFIDENTIAL FLAG LEASE NUMBER UTU-77301 REF LOCATION 0615 FSL 0780 FEL CONFIDENTIAL DATE MINERAL LEASE TYPE 1 V QO. S. T. R. M. SESE 29 08.0 5 24.0 E S DIRECTIONAL HORIZONTAL SURFACE OWNER TYPE 1 V COUNTY UNITAH HORIZONTAL LATERALS INDIAN TRIBE ALCOORDINATES COMMINGLED PRODUCTION CA NUMBER CA N	
ACCOUNT D NAME BIG VALLEY FIELD NUMBER 791 FIRST PRODUCTION LAI PADATE 9 18 2014 CONFIDENTIAL FLAG CONFIDENTIAL DATE MINERAL LEASE NUMBER UTU-77301 MINERAL LEASE TYPE 1 COUNTY UNITAH HORIZONTAL LATERALS SURFACE OWNER TYPE 1 COMMINGLED PRODUCTION CA NUMBER CA NUMBER	
DINAME BIG VALLEY FIELD NUMBER 791 FIRST PRODUCTION LAI PADATE 9 18 2014 LL LOCATION CONFIDENTIAL FLAG LEASE NUMBER UTU-77301 CONFIDENTIAL DATE MINERAL LEASE TYPE 1 QUINTAN SESSE 29 08.0 5 24.0 E S DIRECTIONAL HORIZONTAL SURFACE OWNER TYPE 1 QUINTAN HORIZONTAL LATERALS INDIAN TRIBE COUNTY UNITAH HORIZONTAL LATERALS CANUMBER COMMINGLED PRODUCTION CANUMBER	
CONFIDENTIAL FLAG LEASE NUMBER UTU-77301 REFLOCATION 0615 FSL 0780 FEL CONFIDENTIAL DATE MINERAL LEASE TYPE 1	
COUNTY UNITAH HORIZONTAL LATERALS COMMINGLED PRODUCTION CA NUMBER MINERAL LEASE TYPE 1 SURFACE OWNER TYPE 1 COUNTY UNITAH HORIZONTAL LATERALS COMMINGLED PRODUCTION CA NUMBER	
CONFIDENTIAL DATE COUNTY UNITAH HORIZONTAL LATERALS COORDINATES COMMINGLED PRODUCTION CANUMBER CANUMBER	
COUNTY UNITAH HORIZONTAL LATERALS INDIAN TRIBE COORDINATES COMMINGLED PRODUCTION CA NUMBER	
COUNTY UNITAH HORIZONTAL LATERALS INDIAN TRIBE COORDINATES COMMINGLED PRODUCTION CA NUMBER	
COORDINATES COMMINGLED PRODUCTION C CA NUMBER	
SHEEKACE N. 4439023.00 DUI N	
I INIT NAME IRIC VALLEY	
SURFACE - E 650779.00 BHL - E ORIGINAL FIELD TYPE D UNIT NAME BIG VALLEY	
WILDCAT TAX FLAG CUMULATIVE PRODUCTION:	
CB-METHANE FLAG	
ELEVATION 5136 GR SAS [U	
ELL FILES WELL PHOTOS PROD. GRAPH BOND NUMBER/TYPE ESB000024 1 WATER 0	
MENTS 090930 1YR APD EXT OP FR N5085:100928 1YR APD EXT: 110927 1YR APD EXT:120927 1YR APD EXT:130925 1YR APD EXT:140918 LA PER OP:	
Create New Rec Save Cancel Change To History To Activity Print Recd Export Recd	
Clears all entries and prepares a new Well Record	

Desktop ** 4 10:28 AM 9/30, 2014

) 0

0



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 25, 2014

Valyn Davis QEP Energy Company 11002 East 17500 South Vernal, UT 84078

RE: APDs Rescinded for QEP Energy Company, Uintah County, Utah

Dear Ms. Davis:

As requested, attached is a list of the APD's that the Division of Oil, Gas and Mining "the Division" has rescinded. No drilling activity at these locations has been reported to the Division. Therefore, approval to drill these wells is hereby rescinded, effective September 18, 2014.

New APD's must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject locations.

If any previously unreported operations have been performed on these well locations, it is imperative that you notify the Division immediately.

Sincerely,

Lisha Cordova

Environmental Scientist

Lisha Cordova

LC

Attachment: (1) cc: Well File

Bureau of Land Management, Vernal



Page 2 September 25, 2014 APDs Rescinded eff. 9/18/14

43-047-15245- RW 32-23A (DEEPENING)

43-047-15279- RW 32-33A (DEEPENING)

43-047-16478- RW 12-27A (DEEPENING)

43-047-40360- NBZ 10D-29-8-24

43-047-40361- NBZ 8D-29-8-24

43-047-40362- NBZ 14D-29-8-24

43-047-40363- NBZ 16D-29-8-24

43-047-40364- NBZ 12D-29-8-24

43-047-40365- NBZ 13D-30-8-24

43-047-38659- WVX 1MU-18-8-21

43-047-38660- WVX 9MU-18-8-21

43-047-38661- GH 8G-18-8-21

43-047-38664- WV 2ML-24-8-21



Diana Mason <dianawhitney@utah.gov>

Rescind APD's

Valyn Davis <Valyn.Davis@qepres.com>
To: "dianawhitney@utah.gov" <dianawhitney@utah.gov>

Thu, Sep 18, 2014 at 12:54 PM

Hi Diana-

Hope you are doing well ©.

Can you please rescind the following APD's:

43-047-15245- RW 32-23A

43-047-15279- RW 32-33A

43-047-16478- RW 12-27A

43-047-40360- NBZ 10D-29-8-24

43-047-40361- NBZ 8D-29-8-24

43-047-40362- NBZ 14D-29-8-24

43-047-40363- NBZ 16D-29-8-24

43-047-40364- NBZ 12D-29-8-24

43-047-40365- NBZ 13D-30-8-24

43-047-38659- WVX 1MU-18-8-21

43-047-38660- WVX 9MU-18-8-21

43-047-38661- GH 8G-18-8-21

43-047-38664- WV 2ML-24-8-21

Thank you-

Valyn

valyn Davis

QEP Energy Company

Regulatory Affairs Analyst

435-781-4369 Office

435-828-1058 Cell

valyn.davís@qepres.com



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Green River District Vernal Field Office 170 South 500 East Vernal, UT 84078

http://www.blm.gov/ut/st/en/fo/vernal.html

MAR 31 2015



RECEIVED

MAY 0 4 2015

DIV. OF OIL, GAS & MINING

IN REPLY REFER TO: 3160 (UTG011)

Jan Nelson QEP Energy Company 11002 E. 17500 S. Vernal, UT 84078

43 047 40363

Dear Ms. Nelson:

The referenced Applications for Permit to Drill (APD) have expired. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced applications has expired. If you intend to drill at these locations in the future, a new Application for Permit to Drill must be submitted.

Lease	Well	Aliquot	Sec., T., R.	Date Rec'd	Date Exp'd
UTU-02149	RW 34-20CD	SWSE	Sec. 20-T7S-R24E	3/13/2008	5/29/2012
UTU-77301	NBZ 16D-29-8-24	SESE	Sec. 29-T8S-R24E	9/10/2008	12/15/2013

This office requires a letter confirming that no surface disturbance has been made for these drill sites. Any surface disturbance associated with the approved location of these wells is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact Robin R. Happen (435) 781-3428.

MAY **04** 2015

Sincerely,

DIV. OF OIL, GAS & MINING

/s/ Jerry Kenczka

Jerry Kenczka Assistant Field Manager Lands & Mineral Resources

CC:

UDOGM

bcc:

Well File

I&E Asst.



RECEIVED

SEP 1 0 2008

DEC 2 2 2009

FORM APPROVED

OMB NO. 1040-0136 Expires: February 28, 1995

Form 3160-3 (July 1992)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

DIV. OF OIL GAS LIMENINGTE

5. LEASE DESIGNATION AND SERIAL NO.

UTU-7730

	6. IF INDIAN, ALLOTTEE	OR TRIBE NAME		
APPLICATION FOR PERMIT TO DRILL OR DEEPEN 1 23			N/A	
TYPE OF WORK			7. UNIT AGREEMENT NAME	
DRILL D DEEPEN DIT OF THE INTERIOR TYPE OF WELL DUREAU OF LAND MGMT		BIG VALLEY UNIT		
YPE OF WELL BUREAU OF LAND MGM [8		8. FARM OR LEASE NAME, WELL NO.		
SINGLE MULTIPLE				
OIL WELL GAS WELL OTHER ZONE ZONE			NBZ 160	D-29-8-24
2. NAME OF OPERATOR Contact: Jan Nelson		son	9.API NUMBER:	44.04.0
QUESTAR EXPLORATION & PRODUCTION CO.	E-Mail: j	an.nelson@questar.com	43 N47	40363
3. ADDRESS	Telphone number		10. FIELD AND POOL, OR	WILDCAT
11002 E. 17500 S. Vernal, Utah 84078	-781-4331 Fax 435-781-4395	UNDESI	GNATED	
4. LOCATION OF WELL (Report location clearly and in a	d State requirements*)	11. SEC.,T, R, M, OR BLK	& SURVEY OR AREA	
At Surface 615' FSL 780' FEL,	SESE, SECTION 29	9, T8S, R24E		
At proposed production zone			SEC. 29, T8S,	R24E SLB&M
14. DISTANCE IN MILES FROM NEAREST TOWN OR POSTOFFICE*			12. COUNTY OR PARISH	13. STATE
35 + / - SOUTH OF VERNAL, UTAH	•	Uintah	UT	
15. DISTANCE FROM PROPOSED LOCATION TO NEARE	16.NO.OF ACRES IN LEASE	17. NO. OF ACRES ASSIG	NED TO THIS WELL	
PROPERTY OR LEASE LINE, FT.	·			
(also to nearest drig,unit line if any)		1505.46 40		0
615' + / -	44 PROPOSED PERTU	20 DI MIDIA Dand No. on Sile		
18.DISTANCE FROM PROPOSED location to nearest well, drilling, completed, applied for, on this lease, ft		19. PROPOSED DEPTH	20. BLM/BIA Bond No. on ESB000024	TIIO
3900' +/-		13,137'	10000014	
21. ELEVATIONS (Show whether DF, RT, GR, ect.)		22. DATE WORK WILL START	23. Estimated duration	
5136.8' GR		ASAP	35 days	
24. Attachments				
The following,completed in accordance with the requirm	ents of Onshore O	il and Gas Order No. 1, shall be a	ttached to this form:	
Well plat certified by a registered surveyor.		4. Bond to cover the operations unless	covered by an exisiting bond or	n file (see
2. A Drilling Plan		Item 20 above).		
3. A surface Use Plan (if location is on National Forest System La	ınds,	5. Operator certification.		
the SUPO shall be filed with the appropriate Forest Service Offi	ce).	6. Such other site specific information and/or plans as may be required by the		
		authorized officer.		
/]				
		·		·
Van Chika				
SIGNED TO THE SIGNED	Name (printed/type	ed) Jan Nelson	DATE 0	9/10/2008
TITLE Regulatory Affairs				
(This space for Federal or State office use)	,		•	
		•		
PERMIT NO.	APPROVA	L DATE		

APPROVED System of officer of

Assistant Field Manager Lands & Mineral Resources

*See Instructions On Reverse Side

DATE 12/15/09

tie 18 U.S.C Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of

Vince \$\frac{30}{30}\square\text{Unified States any false, fictitious or fraudulent statements or representations as to any mater within its jurisdiction

AFMSS# 07PP2709A

CONDITIONS OF APPROVAL ATTACHED NOTICE OF APPROVAL





UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

VERNAL FIELD OFFICE VERNAL, UT 84078

(435) 781-440



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	Questar Exploration & Production	Location:	SESE, Sec. 29, T8S, R24E
Well No:	NBZ 16D-29-8-24	Lease No:	UTU-77301
API No:	43-047-40363	Agreement:	Big Valley Unit

OFFICE NUMBER:

(435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings to: <u>ut_vn_opreport@blm.gov</u> .
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

RECEIVED

DEC 2 2 2009

Page 2 of 7 Well: NBZ 16D-29-8-24 12/11/2009

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- All new and replacement internal combustion gas field engines of less than or equal to 300 designrated horsepower must not emit more than 2 gms of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

SITE SPECIFIC COAs:

- During operations, if any vertebrate paleontological resources are discovered, all operations affecting such sites shall be immediately suspended, and all discoveries shall be left intact until authorized to proceed by the Authorized Officer. The appropriate Authorized Officer of the Vernal BLM office shall be notified within 48 hrs of the discovery, and a decision as to the preferred alternative/course of action will be rendered.
- As per e-mail received 9/14/09, the operator has committed to not construct or drill from March 1-July 15 to protect black-footed ferrets during the breeding season.

RECEIVED
DEC 2 2 2009

Page 3 of 7 Well: NBZ 16D-29-8-24 12/11/2009

DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- Casing shoe integrity tests shall be performed on the surface and intermediate casings.
- The intermediate cement top shall be a minimum of 200' above the surface casing shoe.
- The production cement top shall be at a minimum of 200' above the intermediate casing shoe.
- Variances are granted for Onshore Order #2-Drilling Operations III. E.

Diverter Bowl, Blooie line can be 50-70 feet.

Deduster and ignitor: Drilling with mist system, OK

Rig mounted compressors less the 100' away, OK.

All other requirements in O.O. #2 III. E. Special Drilling Operations are applicable.

The Gamma ray log shall be run from TD to surface.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily
 drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order
 No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a
 test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be reported in the driller's
 log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2. RECEIVED

DEC 2 2 2009

Page 4 of 7 Well: NBZ 16D-29-8-24 12/11/2009

- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

RECEIVED
DEC 2 2 2009

Page 5 of 7 Well: NBZ 16D-29-8-24 12/11/2009

OPERATING REQUIREMENT REMINDERS:

• All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.

- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - o Operator name, address, and telephone number.
 - o Well name and number.
 - o Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - O Date well was placed in a producing status (date of first production for which royalty will be paid).
 - o The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - o The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - o Unit agreement and/or participating area name and number, if applicable.
 - o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

RECEIVED

DEC 2 2 2009

Page 6 of 7 Well: NBZ 16D-29-8-24 12/11/2009

DIV. OF OIL, GAS & MINING

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
 equipment shall be removed from a well to be placed in a suspended status without prior approval of
 the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior
 approval of the BLM Vernal Field Office shall be obtained and notification given before resumption
 of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

Page 7 of 7 Well: NBZ 16D-29-8-24 12/11/2009

• Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

RECEIVED DEC 2 2 2009